

Exhibit A(1)

POLICY

LEXINGTON INSURANCE COMPANY
 Administrative Office 100 Summer Street, Boston, Massachusetts 02110-2103
 (hereinafter called the Company)

COMMERCIAL PROPERTY POLICY
 DECLARATIONS

POLICY NUMBER: 1374229

RENEWAL OF: NEW

- Wynn Resorts, Limited Record - See above.
- ITEM 1. Named Insured: WYNN RESORTS L.L.C.
- Address: 3131 LAS VEGAS BLVD. S 3145 3700 Howard Hughes Pkwy #170 LV, NV.
Need to verify
- ITEM 2. Policy Period:
 From 06/22/2004 TO: 06/22/2005
 at 12:01 A.M. Standard Time at the address of the named insured shown above.
- ITEM 3. Limit of Insurance:
 \$7,500,000 PART OF \$10,000,000 PART OF \$65,140,787 & \$55,140,787 EXCESS OF \$10,000,000
 PART OF \$65,140,787 PER OCCURRENCE LIMIT
 SEE CONTRIBUTORY ENDT#001
- | | | | | |
|--|----------------------------|------|------------------------|----------|
| Total Premium | \$118,993 | AWAC | Minimum Earned Premium | \$29,748 |
| Perils: | \$2.5M for each occurrence | | | |
| ALL RISK INCLUDING FLOOD (EXCLUDING SFHA) & EARTHQUAKE (EXCLUDING CA, HI, AK & PR) | | | | |
- ITEM 4. Description of Property Covered:
 REAL & BUSINESS PERSONAL PROPERTY, BUSINESS INTERRUPTION, EXTRA EXPENSE
 (EXCLUDING ORDINARY PAYROLL), NEWLY ACQUIRED REAL & BUSINESS PERSONAL
 PROPERTY, UNNAMED REAL & BUSINESS PERSONAL PROPERTY, LEASE HOLD INTEREST,
 SINKHOLE COLLAPSE, CIVIL AUTHORITY, INGRESS & EGRESS, DECONTAMINATION EXPENSE,
~~ERRORS & OMISSIONS~~ ACCOUNTS RECEIVABLE, VALUABLE PAPERS, ELECTRONIC DATA
 PROCESSING EQUIPMENT & MEDIA, DEBRIS REMOVAL, DEMOLITION & INCREASED COST OF
 CONSTRUCTION (DICC), ORDINANCE OR LAW, SERVICE INTERRUPTION PD & TE, BUILDINGS
 IN DUE COURSE OF CONSTRUCTION, LOSS ADJUSTMENT EXPENSES, POLLUTION CLEAN-UP
 LAND & WATER
- ITEM 5. Mortgagee Clause: Loss, if any shall be payable to:
- ITEM 6. Forms Attached:
- See attached forms schedule

RECEIVED

JUL 22 2004
 WILLIS
 RADNOR, PA

*Logged
 Billed
 + Checked 8/5/04*

Authorized Representative OR
 Countersignature (In states where applicable)

Lexington Insurance Company

100 SUMMER STREET
BOSTON, MASSACHUSETTS 02110
(617) 330-1110

On behalf of our entire organization, thank you for making Lexington your insurance company. By so doing, you have aligned your business with one of the largest, most financially stable property and casualty insurance organizations anywhere.

As you know, Lexington holds the highest financial strength ratings available: AAA from Standard & Poor's and A++, Class XV, from A.M. Best. This means that you are protected by a stable organization that has the financial strength and resources to consistently meet our obligations to you.

By virtue of Lexington's excess & surplus lines status, our underwriters offer exceptional flexibility of rate and form. And our underwriting, while closely regulated, is not restricted by the state by state filing requirements—assuring our ability to move quickly and provide meaningful solutions to your evolving risks, this year ... and the next.

We look forward to it.

Sincerely,



Kevin H. Kelley
Chairman and Chief Executive Officer, Lexington Insurance Company

U.S. risks placed with a surplus lines insurer must be placed in accordance with surplus lines laws and other applicable laws. Surplus lines insurers do not generally participate in state guaranty funds and insureds are not protected by such funds. The surplus lines market is a brokered market providing flexibility in rate and form to meet customer needs for high risk and specialized insurance products. All placements with surplus lines insurers are subject to underwriting by the insurer. Products may not be available in all states. The information contained herein is for general information purposes only and does not constitute an offer to sell or a solicitation. The information provided herein is made available only on request by an insurance professional(s).

LEXINGTON INSURANCE COMPANY

ANY REFERENCE IN THE POLICY FORM TO CONTACT IN WRITING THE COMPANY'S CLAIM OR
LEGAL DEPARTMENTS SHOULD USE THE ADDRESSES PROVIDED BELOW.

Attn: Claim Department
Lexington Insurance Company
100 Summer Street
Boston, Massachusetts 02110-2103

Attn: Legal Department
Lexington Insurance Company
100 Summer Street
Boston, Massachusetts 02110-2103

FORMS SCHEDULE

NAMED INSURED: WYNN RESORTS L.L.C.

POLICY NO: 1374229

EFFECTIVE DATE: 06/22/2004

FORM NUMBER	EDITION DATE	ENDT NUMBER	TITLE
PRFIRS	01/91		FIRE SCHEDULE
PRPDEC	01/91		PROPERTY DEC
PR9014	01/91		OCCURRENCE LIMIT OF LIABILITY
ILO017	11/85		COMMON POLICY CONDITIONS
CP0090	07/88		COMMERCIAL PROPERTY CONDITIONS
PR9015	01/91		POLLUTION CONTAMINATION FORM
PR9019	01/94		STANDARD PROPERTY CONDITIONS
CP1030	07/88		CAUSES OF LOSS SPECIAL FORM
CP0010	07/88		BUILDING & PP COVERAGE FORM
CM0066	07/88		ACCOUNTS RECEIVABLE COVERAGE
CMD067	07/88		VALUABLE PAPERS & RECORDS
			TRANSPORTATION FROM 3715
			INSURING AGREEMENT FORM 20031
LX9598	05/03	ENDT#001	CONTRIBUTORY ENDORSEMENT
LEXDOC021	12/87	ENDT#002	FLOOD DEDUCTIBLE ENDT
PR9025	09/92	ENDT#003	EARTHQUAKE ENDORSEMENT
PR9566	11/02	ENDT#004	EQUIPMENT BREAKDOWN ENDT
PR9567	11/02	ENDT#005	EQUIPMENT BREAKDOWN SCHEDULE
PR9026	09/92	ENDT#006	FLOOD ENDORSEMENT
LX9512	08/02	ENDT#007	MOLD/FUNGUS EXCLUSION
PR9541	09/02	ENDT#008	NAMED INSURED ENDORSEMENT
CP0417	07/88	ENDT#009	OFF-PREM. POWER FAIL (DIR DMG)
CP1545	07/88	ENDT#010	OFF-PREM. SVCS (TIME ELEMENT)
CP0405	07/88	ENDT#011	ORDINANCE OR LAW COVERAGE
PR9514	09/02	ENDT#012	PROPERTY ENDORSEMENT
PR9017	01/91	ENDT#013	REPLACEMENT COST COVERAGE END
PR9513	09/01	ENDT#014	WAR RISK & TERRORIST EXCLUSION
Y69813	02/98	ENDT#015	COMB. PROP/B&M MILLENNIUM END1

FIRE

SCHEDULE OF COVERED LOCATIONS

Policy Number: 1374229

Issued to: WYNN RESORTS L.L.C.

DESCRIPTION OF PREMISES:
AS PER SCHEDULE ON FILE WITH
COMPANY

7,500,000
\$7,000,000 P/O \$10,000,000 P/O

LIMIT

\$65,140,787 & \$55,140,787 EXCESS
OF \$10,000,000 P/O \$65,140,787

See end of
above.

PERCENT OF COINS
N/A ✓

SUBLIMITS:

FLOOD ANNUAL AGGREGATE	\$25,000,000 ✓
EARTHQUAKE ANNUAL AGGREGATE	\$25,000,000 ✓
CONTINGENT BI & EE	\$ 5,000,000 ✓
EXTRA EXPENSE	\$ 5,000,000 ✓
ACCOUNTS RECEIVABLE	\$ 5,000,000 ✓
VALUABLE PAPERS	\$ 5,000,000 ✓
EDP INCLUDING MEDIA	\$ 5,000,000 ✓
TRANSIT	\$ 250,000 ✓
UNNAMED LOCATION	\$ 1,000,000 ✓
POLLUTANT CLEAN UP ANNUAL AGGREGATE	\$ 10,000 ✓ <i>Should be 100,000</i>
NEWLY ACQUIRED PROPERTY (90 DAYS TO REPORT)	\$ 1,000,000 ✓
OFF PREMISES TE	\$ 5,000,000 ✓
OFF PREMISES PD	\$ 5,000,000 ✓
ERRORS & OMISSIONS	\$ 5,000,000 ✓
BUILDINGS IN DUE COURSE CONSTRUCTION	\$ 2,500,000 ✓
LEASEHOLD INTEREST	\$ 1,000,000 ✓
CIVIL AUTHORITY & INGRESS & EGRESS	\$ 5,000,000 OR 30 DAYS <i>60 days</i>
FINE ARTS	\$ 1,000,000 ✓
EXPEDITING EXPENSE	\$ 1,000,000 ✓
EXHIBITION & TRADE SHOWS	\$ 500,000 ✓
FIRE DEPARTMENT SERVICE CHARGES	\$ 500,000 ✓
LOSS ADJUSTMENT EXPENSES	\$ 250,000 ✓
POLLUTION CLEAN-UP LAND & WATER	\$ 100,000 ✓

A SUBLIMIT OF 25% OF THE COVERED LOSS OR \$5,000,000; WHICHEVER IS LESS SHALL APPLY TO DEBRIS REMOVAL, DEMOLITION & INCREASED COST OF CONSTRUCTION (DICC) & ORDINANCE OR LAW. ✓

THESE SUBLIMITS DO NOT INCREASE THE POLICY LIMIT OF \$7,500,000 PART OF \$10,000,000 PART OF \$65,140,787 & \$55,140,787 EXCESS OF \$10,000,000 PART OF \$65,140,787 PAYABLE IN ANY ONE OCCURRENCE. THIS INCLUDES ANY ADDITIONAL LIMIT SHOWN. ✓

OCCURRENCE LIMIT OF LIABILITY

It is understood and agreed that the following special terms and conditions apply to this policy:

1. The limit of liability or Amount of Insurance shown on the face of this policy, or endorsed onto this policy, is the total limit of the Company's liability applicable to each occurrence, as hereafter defined. Notwithstanding any other terms and conditions of this policy to the contrary, in no event shall the liability of the Company exceed this limit or amount irrespective of the number of locations involved.

The term "occurrence" shall mean any one loss, disaster, casualty or series of losses, disasters, or casualties, arising out of one event. When the term applies to loss or losses from the perils of tornado, cyclone, hurricane, windstorm, hail, flood, earthquake, volcanic eruption, riot, riot attending a strike, civil commotion, and vandalism and malicious mischief one event shall be construed to be all losses arising during a continuous period of 72 hours. When filing proof of loss, the Insured may elect the moment at which the 72 hour period shall be deemed to have commenced, which shall not be earlier than the first loss to the covered property occurs.

2. The premium for this policy is based upon the Statement of Values on file with the Company, or attached to this policy. In the event of loss hereunder, liability of the Company, subject to the terms of paragraph one (1) above, shall be limited to the least of the following:
 - a. The actual adjusted amount of loss, less applicable deductible(s).
 - b. The total stated value for the property involved, as shown on the latest Statement of Values on file with the Company, less applicable deductible(s).
 - c. The limit of Liability or Amount of Insurance shown on the face of this policy or endorsed onto this policy.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for non-payment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. The policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. INSPECTIONS AND SURVEYS

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

These conditions apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

E. PREMIUMS

- The first Named Insured shown in the Declarations:
 1. Is responsible for the payment of all premiums; and
 2. Will be the payee for any return premiums we pay.

F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage.

Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.

2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada.

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
3. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance;
 - b. A business firm:
 - 1) Owned or controlled by you; or
 - 2) That owns or controls you; or
 - c. Your tenant.

This will not restrict your insurance.

**POLLUTION, CONTAMINATION, DEBRIS REMOVAL
EXCLUSION ENDORSEMENT**

1. Property Not Covered

This policy does not cover land, land values or water.

2. Pollution and Contamination Exclusion.

This policy does not cover loss or damage caused by, resulting from, contributed to or made worse by actual, alleged or threatened release, discharge, escape or dispersal of CONTAMINANTS or POLLUTANTS, all whether direct or indirect, proximate or remote or in whole or in part caused by, contributed to or aggravated by any physical damage insured by this policy.

Nevertheless, if fire is not excluded from this policy and a fire arises directly or indirectly from seepage or contamination or pollution, any loss or damage insured under this policy arising directly from that fire is insured, subject to the provisions of this policy.

CONTAMINANTS or POLLUTANTS means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste, which after its release can cause or threaten damage to human health or human welfare or causes or threatens damage, deterioration, loss of value, marketability or loss of use to property insured hereunder, including, but not limited to, bacteria, fungi, virus, or hazardous substances as listed in the Federal Water, Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976, and Toxic Substances Control Act or as designated by the U. S. Environmental Protection Agency. Waste includes materials to be recycled, reconditioned or reclaimed.

This exclusion shall not apply when loss or damage is directly caused by fire, lightning, aircraft impact, explosion, riot, civil commotion, smoke, vehicle impact, windstorm, hail, vandalism, malicious mischief. This exclusion shall also not apply when loss or damage is directly caused by leakage or accidental discharge from automatic fire protective systems.

3. Asbestos Exclusions

This policy does not cover -

- a) Asbestos, dioxin or polychlorinated biphenols (hereinafter all referred to as "Materials") removal from any good, product or structure unless the asbestos is itself damaged by fire, lightning, aircraft impact, explosion, riot, civil commotion, smoke, vehicle impact, windstorm or hail, vandalism, malicious mischief, leakage or accidental discharge from automatic fire protective system.
- b) Demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating such Materials;
- c) Any governmental direction or request declaring that such Materials present in or part of or utilized on any undamaged portion of the insured's property can no longer be used for the purpose for which it was intended or installed and must be removed or modified.

The coverage afforded does not apply to payment for the investigation or defense of any loss, damage or any cost, loss of use expense, fine or penalty or for any expense or claim or suit related to any of the above.

4. Debris Removal Exclusion

The Company will pay the expense within the sum insured to remove debris of insured property damaged or destroyed by an insured peril during the policy term.

The Company will not pay the expense to:

- a) Extract contaminants or pollutants from the debris; or
- b) Extract contaminants or pollutants from land or water; or
- c) Remove, restore or replace contaminated or polluted land or water; or

- d) Remove or transport any property or debris to a site for storage or decontamination required because the property or debris is affected by pollutants or contaminants, whether or not such removal, transport, or decontamination is required by law or regulation.

It is a condition precedent to recovery under this extension that the Company shall have paid or agreed to pay for direct physical loss or damage to the property insured hereunder and that the Insured shall give written notice to the Company of intent to claim for cost of removal of debris or cost to clean up not later than 180 days after the date of such physical loss or damage.

5. Authorities Exclusion

Notwithstanding any of the provisions of this policy, the Company shall not be liable for loss, damage, costs, expenses, fines or penalties incurred or sustained by or imposed on the Insured at the order of any Government Agency, Court or other Authority arising from any cause whatsoever.

**LEXINGTON
Standard Property Conditions**

This endorsement effective 06/22/2004

, forms part of Policy Number 1374229

ssued to WYNN RESORTS L.L.C.

3y: LEXINGTON INSURANCE COMPANY (hereinafter called "the Company").

In consideration of the premium charged, the following clauses are hereby made applicable under this policy.

MINIMUM EARNED PREMIUM CLAUSE

In the event of cancellation of this policy by the Insured, a minimum premium of \$29,748 shall become earned, any provision of the policy to the contrary notwithstanding.

Failure of the Insured to make timely payment of premium shall be considered a request by the Insured for the Company to cancel on the Insured's behalf, in the event of such cancellation for non-payment of premium, the minimum earned premium shall be due and payable; provided, however, such cancellation shall be rescinded if the Insured remits and the Company receives the full policy premium with 10 days after the date of issuance of the cancellation notice. Such remittance and acceptance by the Company shall not effect the minimum earned premium provision of this endorsement. In the event of any other cancellation by the Company, the earned premium shall be computed pro-rata, not subject to the minimum earned premium.

POLICY DEDUCTIBLE

Each claim for loss or damage separately occurring shall be adjusted separately and from each such adjusted claim, the amount of \$25,000 shall be deducted. Notwithstanding the foregoing, the deductible amount applying to certain peril(s) insured against by this policy shall be as follows:

\$ 25,000 deductible applying to AOP, EXCEPT;

\$100,000 deductible applying to EARTHQUAKE

\$ 10,000 deductible applying to ELECTRONIC DATA PROCESSING EQUIPMENT & MEDIA, TRANSIT, MACHINERY & EQUIPMENT BREAKDOWN

\$ deductible applying to FLOOD - SEE ENDT#002

24 Hour waiting period qualifier defining the covered event deductible applying to UTILITY SERVICE INTERRUPTION, CIVIL AUTHORITY & INGRESS & EGRESS

In the event of any other insurance covering the property insured hereunder, whether or not concurrent, the deductible(s) specified herein shall apply in full against that portion of any claim for loss or damage which the Company is called upon to pay under the provisions of the Apportionment Clause irrespective of any provisions to the contrary of such other insurance.

CANCELLATION CLAUSE

Except and to the extent of the Minimum Earned Premium Clause which is part of this policy, this clause supersedes other cancellation clauses made a part of this policy.

CANCELLATION: This policy may be cancelled by the Insured by surrender thereof to the Company or by mailing to the Company written notice stating when thereafter such cancellation shall be effective. This policy may be cancelled by the Company by mailing to the Insured, at the mailing address shown in this policy or last known address, written notice, stating when, not less than 30 days thereafter (10 days for non-payment of premium) such cancellation shall be effective. The effectiveness of cancellation is not dependent on the return of unearned premium with the notice. Proof of mailing of notice as aforesaid shall be sufficient proof of notice. The effective date and hour of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the Insured or the Company shall be equivalent to mailing. If the Insured cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the Company cancels, earned premium shall be computed pro rata. Premium adjustment shall be made as soon as practicable after cancellation becomes effective.

SERVICE OF SUIT CLAUSE

Service of Suit: In the event of failure of the Company to pay any amount claimed to be due hereunder, the Company, at the request of the Insured, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any court of competent jurisdiction in the United States to remove an action to a United States District Court or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service or process in such suit may be made upon Counsel, Legal Department, Lexington Insurance Company, 100 Summer Street, Boston, Massachusetts, 02110-2103, or his or her representative, and that in any suit instituted against the Company upon this policy, the Company will abide by the final decision of such court or of any appellate court in the event of an appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefor, the Company hereby designates the Superintendent, Commissioner or Director of Insurance, other officer specified for that purpose in the statute, or his successor or successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this policy of insurance and hereby designates the above named Counsel as the person to whom the said officer is authorized to mail such process or a true copy thereof.

WAR RISK EXCLUSION CLAUSE

The Company shall not be liable for any loss, caused directly or indirectly, by (1) hostile or warlike action in time of peace or war, whether or not declared, including action in hindering, combating or defending against an actual, impending or expected attack (a) by government or sovereign power (dejure or de facto) or by any authority maintaining or using military, naval or air forces; or (b) by military, naval or air forces; or (c) by an agent of any such government, power, authority or force (2) any weapon of war employing atomic fission or radioactive force whether in time of peace or war, whether or not its discharge was accidental; (3) insurrection, rebellion, revolution, civil war, usurped power, or action taken by government authority in hindering, combating, or defending against such an occurrence, seizure or destruction; (4) any consequence of any of the foregoing.

NUCLEAR EXCLUSION CLAUSE

The Company shall not be liable for loss by nuclear reaction or nuclear radiation or radioactive contamination all whether controlled or not, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) insured against in this policy. If the peril of fire is insured under this policy, then, subject to the foregoing and all provisions of this policy, direct loss by fire resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured against by this policy.

SALVAGE AND RECOVERY CLAUSE

All salvages, recoveries and payments recovered or received either prior or subsequent to a loss settlement under this policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto, including deduction of the Company's cost of recovery or salvage.

REPORTING CLAUSE

Notwithstanding that the Insured may be obligated to report full values for premium purposes, the Company's maximum limit of liability shall not exceed that amount stated as the policy limit of liability.

PROOF OF LOSS AND PAYMENT

The Insured shall complete and sign a sworn proof of loss within ninety (90) days after the occurrence of a loss (unless such period be extended by the written agreement of the Company) stating the time, place and cause of loss, the interest of the Insured and of all others in the property, the sound value thereof and the amount of loss or damage thereto, and all other insurance thereon. All adjusted claims shall be due and payable thirty (30) days after the presentation and acceptance of satisfactory proof(s) of loss at the office of the Company at 100 Summer Street, Boston, Massachusetts 02110-2103

GOVERNMENT ACTIVITY CLAUSE

The Company shall not be liable for loss or damage caused by or resulting from: (1) the seizure or destruction of property insured by this policy by any government body, including any customs or quarantine action, or (2) confiscation or destruction of any property by order of any government or public authority, except an order to destroy property to prevent the spread of fire or explosion.

IN WITNESS HEREOF, we have caused this policy to be executed and attested, but this policy shall not be valid unless countersigned in the Declarations by one of our duly authorized representative.

Secretary

Chairman of the Board & CEO

CAUSES OF LOSS - SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section F. - Definitions.

A. COVERED CAUSES OF LOSS

When Special is shown in the Declarations, Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS unless the loss is:

1. Excluded in Section B., Exclusions; or

2. Limited in Section C., Limitations;

that follow.

B. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Ordinance or Law

The enforcement of any ordinance or law:

1) Regulating the construction, use or repair of any property; or

2) Requiring the tearing down of any property, including the cost of removing its debris.

b. Earth Movement

1) Any earth movement (other than sinkhole collapse), such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting. But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.

2) Volcanic eruption, explosion or effusion. But if loss or damage by fire, building glass breakage or volcanic action results, we will pay for that resulting loss or damage.

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

a) Airborne volcanic blast or airborne shock waves;

b) Ash, dust or particulate matter; or

c) Lava flow.

All volcanic eruptions that occur within any one hundred sixty-eight (168) hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

d. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if loss or damage by fire results, we will pay for that resulting loss or damage.

e. Power Failure

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises.

But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

f. War And Military Action

- 1) War, including undeclared or civil war;
- 2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- 3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- 1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- 2) Mudslide or mudflow;
- 3) Water that backs up from a sewer or drain; or
- 4) Water under the ground surface pressing on, or flowing or seeping through:
 - a) Foundations, walls, floors or paved surfaces;
 - b) Basements, whether paved or not; or
 - c) Doors, windows or other openings.

But if loss or damage by fire, explosion or sprinkler leakage results, we will pay for that resulting loss or damage.

2. We will not pay for loss or damage caused by or resulting from any of the following:

- a. Artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires.

But if loss or damage by fire results, we will pay for that resulting loss or damage.

- b. Delay, loss of use or loss of market.

- c. Smoke, vapor or gas from agricultural smudging or industrial operations.

- d. 1) Wear and tear;

2) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

3) Smog;

4) Settling, cracking, shrinking or expansion;

5) Insects, birds, rodents or other animals;

6) Mechanical breakdown, including rupture or bursting caused by centrifugal force; or

7) The following causes of loss to personal property:

a) Dampness or dryness of atmosphere;

b) Changes in or extremes of temperature; or

c) Marring or scratching.

But if loss or damage by the "specified causes of loss" or building glass breakage results, we will pay for that resulting loss or damage.

- e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if loss or damage by fire or combustion explosion results, we will pay for that resulting loss or damage. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- f. Continuous or repeated seepage or leakage of water that occurs over a period of fourteen (14) days or more.
- g. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
 - 1) You do your best to maintain heat in the building or structure; or
 - 2) You drain the equipment and shut off the supply if the heat is not maintained.
- h. Dishonest or criminal act by you, any of your partners, employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:
 - 1) Acting alone or in collusion with others; or
 - 2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your employees; but theft by employees is not covered.

- i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
 - j. Rain, snow, ice or sleet to personal property in the open.
 - k. Collapse, except as provided below in the Additional Coverage for Collapse. But if loss or damage by a Covered Cause of Loss results at the described premises, we will pay for that resulting loss or damage.
 - l. Release, discharge or dispersal of "pollutants" unless the release, discharge or dispersal is itself caused by any of the "specified causes of loss." But if loss or damage by the "specified causes of loss" results, we will pay for the resulting damage caused by the "specified cause of loss."
3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the loss or damage.
 - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c. Faulty, inadequate or defective:
 - 1) Planning, zoning, development, surveying, siting;
 - 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - 3) Materials used in repair, construction, renovation or remodeling; or

- 4) Maintenance;
of part or all of any property on or off the described premises.

4. Special Exclusions

The following provisions apply only to the specified Coverage Forms.

- a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, or Extra Expense Coverage Form

We will not pay for:

- 1) Any loss caused by or resulting from:
 - a) Damage or destruction of "finished stock"; or
 - b) The time required to reproduce "finished stock."

This exclusion does not apply to Extra Expense.
- 2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas, including their lead-in wiring, masts or towers.
- 3) Any increase of loss caused by or resulting from:
 - a) Delay in rebuilding, repairing or replacing the property or resuming "operations," due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of "operations," we will cover such loss that affects your Business Income during the "period of restoration."
- 4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration."
- 5) Any other consequential loss.

b. Leasehold Interest Coverage Form

- 1) Paragraph B.1.a. Ordinance or Law, does not apply to insurance under this Coverage Form.
- 2) We will not pay for any loss caused by:
 - a) Your cancelling the lease;
 - b) The suspension, lapse or cancellation of any license; or
 - c) Any other consequential loss.

c. Legal Liability Coverage Form

- 1) The following Exclusions do not apply to insurance under this Coverage Form:
 - a) Paragraph B.1.a., Ordinance or Law;
 - b) Paragraph B.1.c., Governmental Action;
 - c) Paragraph B.1.d., Nuclear Hazard;
 - d) Paragraph B.1.e., Power Failure; and
 - e) Paragraph B.1.f., War and Military Action.
- 2) Contractual Liability

We will not defend any claim or suit, or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement.

3) Nuclear Hazard

We will not defend any claim or "suit," or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

C. LIMITATIONS

1. We will not pay for loss of or damage to:

- a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
- c. The interior of any building or structure caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - 1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - 2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- d. Building materials and supplies not attached as part of the building or structure, unless held for sale by you, caused by or resulting from theft, except as provided in C.5.a. below. — *Builders Risk*.
- e. Property that is missing, but there is no physical evidence to show what happened to it, such as shortage disclosed on taking inventory.
- f. Gutters and downspouts caused by or resulting from weight of snow, ice or sleet.
- g. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.

- (2) We will not pay more for loss of or damage to glass that is part of a building or structure than one hundred (100) dollars for each plate, pane, multiple plate insulating unit, radiant or solar heating panel, jalousie, louver or shutter. We will not pay more than five hundred (500) dollars for all loss of or damage to building glass that occurs at any one time.

This Limitation does not apply to loss or damage by the "specified causes of loss," except vandalism.

3. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
- a. Valuable papers and records, such as books of account, manuscripts, abstracts, drawings, card index systems, film, tape, disc, drum, cell or other data processing, recording or storage media, and other records.
 - b. Animals, and then only if they are killed or their destruction is made necessary.
 - c. Fragile articles such as glassware, statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - 1) Glass that is part of a building or structure;
 - 2) Containers of property held for sale; or

- d. ~~Builder's machinery, tools, and equipment you own or that are entrusted to you, while away from the premises described in the Declarations, except as provided in paragraph C.5.b. below.~~
4. For loss or damage by theft, the following types of property are covered only up to the limits shown:
- Two thousand five hundred (2,500) dollars for furs, fur garments and garments trimmed with fur.
 - Two thousand five hundred (2,500) dollars for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth one hundred (100) dollars or less per item.
 - Two thousand five hundred (2,500) dollars for patterns, dies, molds and forms.
 - Two hundred fifty (250) dollars for stamps, tickets and letters of credit.

5. Builders' Risk Coverage Form Limitations

The following provisions apply only to the Builders' Risk Coverage Form.

- Limitation 1.d. is replaced by the following:
 - Building materials and supplies not attached as part of the building or structure caused by or resulting from theft.
- Limitation 3.d. is replaced by the following:
 - Builders' machinery, tools and equipment you own or that are entrusted to you.

D. ADDITIONAL COVERAGE - COLLAPSE

We will pay for loss or damage caused by or resulting from risks of direct physical loss involving collapse of a building or any part of a building caused only by one or more of the following:

- The "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;
- Hidden decay;
- Hidden insect or vermin damage;
- Weight of people or personal property;
- Weight of rain that collects on a roof;
- Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

We will not pay for loss or damage to the following types of property, if otherwise covered in this Coverage Part, under items 2., 3., 4., 5. and 6. unless the loss or damage is a direct result of the collapse of a building:

outdoor radio or television antennas, including their lead-in wiring, masts or towers; awnings, gutters and downspouts; yard fixtures; outdoor swimming pools; fences; piers, wharves and docks; beach or diving platforms or appurtenances; retaining walls, walks, roadways and other paved surfaces.

Collapse does not include settling, cracking, shrinkage, bulging or expansion.

This Additional Coverage will not increase the Limits of Insurance provided in this Coverage Part.

E. ADDITIONAL COVERAGE EXTENSIONS

- Property in Transit. This Extension applies only to your personal property to which this form applies.